Michigan and the US Nuclear Regulatory Commission Agreement State Program

Agreement State Advisory Committee April 18, 2007

MEETING SUMMARY

1. Opening Remarks and Status Report

Thor Strong, Chief of the Radiological Protection Section, Department of Environmental Quality (DEQ), welcomed the participants and thanked Ralph Lieto for hosting the meeting at Saint Joseph Mercy Hospital in Ann Arbor.

A draft report to the governor on the proposed Agreement State strategy and the status of stakeholder interest has made it up to the offices of the directors of the Department of Community Health (DCH) and the DEQ. The DCH director has indicated that it will be at least a month before the proposal may be forwarded to the governor. In response to a participant request for a copy of the document, Thor Strong said since the document is still in draft format, it could not be distributed outside the department.

A lively discussion ensued after a stakeholder commented that staff may not be accurately portraying the amount of stakeholder support for Michigan to become an Agreement State. Thor Strong said that the report to the governor indicated, based on the March 16 meeting, that stakeholders had generally supported moving forward with the Agreement State process, but only if several preconditions can be guaranteed:

- Once begun and interim fees assessed, the start-up process must not be halted or delayed. The Agreement must be signed within the 4-year planned timeframe.
- Revenue from the interim fee system must be restricted to the development of an Agreement State program and funds must be carried over from year to year rather than reverting to general funds.
- New staff (particularly health physics staff positions) needs to be hired in an orderly manner and with sufficient time to provide comprehensive formal training and on-the-job experience. FTE caps or general hiring freezes must not delay establishment of new positions and approval to fill those positions.
- Some of the formal training required by the NRC of Agreement State staff is only available out-of-state. Out-of-state travel requests and requests for training must receive prompt approvals, even if restrictions are being applied to other areas of state government.

Meeting participants generally felt that the Agreement State Advisory Committee (ASAC) could not speak for the majority of the stakeholders who have not been involved in the process up until now. Staff noted that professional organizations and large stakeholders were originally invited to participate in these discussions though some have not sent any representatives. Some stakeholders favored an informational mailing to all stakeholders including a survey indicating "Yes," "No," or "I need more information." Other stakeholders commented that most licensees would be apathetic about this issue and that the small licensees could be expected to look to the large facilities, such as those represented on the ASAC, for guidance. Everyone agreed that all affected facilities should be notified about the Agreement State proposal and should be given a chance to voice their concerns and comments. Staff committed to sending an informational mailing to all affected facilities.

2. Project Timeline

The timeline E-mailed to ASAC members on April 9, 2007 was discussed. Some of the critical decision points depend on action by the department heads, the governor, and the legislature. The entire process can only move forward with the active and vocal support of the stakeholders and their professional organizations.

Staff were asked several questions:

- What impact would a temporary state shutdown (due to budget problems) have on the Agreement State process? State workers need to follow the governor's directives. The timeline has sufficient flexibility that a short-term reduction in staff work-hours should not significantly impede progress.
- When will the state start charging fees? The legislature has to pass and the governor has to sign the interim fee legislation or another method to provide for startup funding. The legislature has to pass and the governor has to sign an appropriations bill to spend money collected. Concurrently, the department has to develop billing and accounting procedures for the Agreement State Fund. In addition, a decision needs to be made which four years to use as the startup period and when to begin billing licensees.
- Concern was expressed by one stakeholder that the timeline was too aggressive and that milestones had already been missed. Staff indicated that one key goal of the timeline was to have an Agreement application submitted before the end of Governor Granholm's term of office, and that would necessitate a formal Letter of Intent being signed, and fee legislation enacted, by the end of 2007.

3. Staffing

The "Summary of FTE per 100 Licensees for Recent Agreement States" E-mailed to ASAC members on April 9, 2007, a draft "Radiological Protection Section" organizational chart, and a list of the NRC training courses for license reviewers and inspectors were discussed. Participants debated whether the section had too many or too few technical staff and whether the ratio of licensing staff to inspection staff was appropriate. Responsibilities of the section other than routine licensing and inspections would include some unique facilities (such as Michigan State University's research cyclotron), decommissioning, rules development, training, incident investigations, etc.

4. Funding Strategy

Staff distributed and explained a summary of the funding strategy including startup costs, annual NRC fee assessments, proposed surcharge fees, and estimated Michigan agreement state fees. The ASAC discussed the pros and cons of a dollar cap per license on the interim surcharge. It was noted that the dollar amount for some interim fee categories differed from previous versions of the estimated fees. The earlier fee schedule had been based on 39% of NRC fees, while the schedule presented in the meeting used 40%. The percentage difference was small and, with rounding, some interim fees went up and some remained unchanged from previous estimates.

Stakeholders were adamant that a good statute is needed to keep the fund from being raided, to enable the fund to roll-over from year to year, and that the agreement process not be stopped once begun. Stakeholders need to actively support the process.

5. Statutory Revisions

The draft statute was briefly discussed due to time limitations. The statute may possibly be divided into two or three parts for introduction to the legislature – mammography, interim fee, and the remainder. ASAC members stated that the draft statute was not acceptable in its present form and wanted to spend time reviewing and discussing it. It was suggested that comments on the mammography revisions be separately forwarded to Bruce Matkovich of the x-ray program and, if needed, a separate group convened to discuss the changes. The ASAC requested a Word version of the draft statute in order to insert their suggested changes and other comments. It was decided upon a 30-day deadline for ASAC members to send their changes and comments to staff. Staff would compile and distribute this information for discussion at the next meeting. The next meeting would focus on the statute.

6. Approach to Rules Revisions

Because the previous discussions took up the entire meeting time, several handouts were distributed without discussion:

- The titles of the "Suggested State Regulations" (SSR) parts were compared with the
 existing "Ionizing Radiation Rules" and with the U.S. Nuclear Regulatory Commission
 regulations (10 CFR).
- The rule titles for "Part C: Licensing of Radioactive Material" from the SSR.
- The rule titles for a portion of "Part G: Use of Radionuclides in the Healing Arts" from the SSR were listed with comparable rules of 10 CFR 35.
- An excerpt from Part 35 of Oklahoma's regulations incorporating 10 CFR 35 by reference.

Staff indicated that they would like to base the new rules on the Suggested State Regulations for the Control of Radiation (SSRCR) which are put together by the Conference of Radiation Control Program Directors (CRCPD). The NRC reviews the SSRCR and approves their use as being consistent with the NRC regulations. The SSRCR can be reviewed at the CRCPD website – www.crcpd.org.

7. Discussion of ASAC Logistics and Wrap-up

Several members offered to host the next ASAC meeting. Members felt that holding monthly meetings took too much time away from their real jobs.